Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion	)	GN Docket No. 17-199
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	)	

To: The Commission

REPLY COMMENTS OF HUGHES NETWORK SYSTEMS

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October 6, 2017

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REPLY COMMENTS OF HUGHES NETWORK SYSTEMS

Hughes Network Systems, LLC ("Hughes") submits this reply to the initial comments in response to the Commission's inquiry into whether the deployment of advanced telecommunications capability is reasonable and timely.[1] As discussed in more detail below, the Commission's analysis should recognize the important role that satellite broadband providers play in the deployment of advanced telecommunications capability, particularly to those in rural, remote, and other hard-to-reach areas. The Commission also should properly account for the unique coverage and capacity features of satellite broadband technology.

DISCUSSION

Hughes is the largest satellite broadband provider in North America, serving over one million consumers. Rural, remote, and tribal areas, where terrestrial broadband infrastructure can be prohibitively expensive to deploy or install, have been long left behind by terrestrial broadband providers, but satellite broadband providers such as Hughes digitally integrate those

[1] *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, Notice of Inquiry, FCC 17-109 (rel. Aug. 8, 2017) ("NOI").

underserved communities and provide their residents with quality and cost-effective Internet services.[2]

Satellite broadband is a dynamic and competitive product, and Hughes continues to invest significant resources into innovations that will provide even greater capacity and higher speeds to its U.S. satellite broadband consumers. In March 16, 2017, with its deployment of EchoStar XIX, the world's highest-throughput satellite, Hughes became the first and only U.S. satellite Internet service to offer FCC-defined broadband speeds across the continental United States. In a very short time, more than 100,000 of its customers in the U.S. were already receiving service at the increased speeds and this number continues to steadily increase.

As a result of EchoStar XIX, Hughes is able to offer more than double the capacity of its previous two-satellite configuration and deliver broadband-defined speeds of 25/3 Mbps for residential users and 55/5 Mbps for enterprise users across the continental United States. Hughes also currently is developing a new satellite with Space Systems Loral, due to launch in early 2021, which will further increase speeds and capacity.[3] Dubbed EchoStar XXIV/JUPITER 3, this Ultra High Density Satellite will provide residential and commercial Internet and data services, including in-flight Internet and network backhaul for remote cellular towers. Other

[2] *See, e.g.*, *Ex Parte* Letter from Jennifer A. Manner, Vice President, Regulatory Affairs, Hughes Network Systems, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 at 1 (filed Oct. 9, 2015) ("[P]rice[] … []and the lack of inside wiring in prefabricated/modular homes[] often lead[s] consumers to choose satellite broadband service – even where cable broadband service is available.").

[3] Gallagher at 1; Kendall Russell, *SSL to Build Hughes' Next-Gen Ultra High Density Satellite*, Satellite Today (Aug. 9, 2017), http://www.satellitetoday.com/telecom/2017/08/09/ssl-build-hughes-next-gen-ultra-high-density-satellite/.

providers are also poised to deploy new upgraded satellites that will further increase capacities and speeds and expand the footprint of next-generation satellite services.[4]

These strategic investments in greater satellite capacity, rising upload/download speeds, expanding coverage across the continental United States, and advancements in network engineering have made satellite broadband internet an excellent, competitive offering for its customers.[5] As the Commission has noted, over 80% of satellite broadband subscribers experience actual download speeds exceeding the advertised speed.[6] It is therefore unsurprising that satellite broadband customers are just as satisfied as the customers of other types of broadband providers.[7] Coupled with unrivaled coverage across the continental United States,

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[4] *See Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act*, GN Docket No. 15-191, 2016 Broadband Progress Report, 31 FCC Rcd 699 at note 155 (2016) ("2016 Broadband Progress Report") (discussing the upcoming satellite deployment plans of Hughes, ViaSat, and O3b). ViaSat, for example, launched ViaSat-2 on June 1, 2017, and it expects to be able to provide services by 2018 at speeds in excess of the FCC's current benchmarks. *See ViaSat Announces First Quarter Fiscal Year 2018 Results*, Cision (Aug. 8, 2017), http://www.prnewswire.com/news-releases/viasat-announces-first-quarter-fiscal-year-2018-results-300501439.html.

[5] *See HughesNet Gen5 High-Speed Satellite Internet Service Now Available via GSA Schedule*, Yahoo! Finance (Mar. 30, 2017), http://finance.yahoo.com/news/hughesnet-gen5-high-speed-satellite-130000395.html. *See also* Andrew Burger, *HughesNet Claims First FCC Broadband Defined 25 Mbps Satellite Broadband Service*, Telecompetitor (Mar. 7, 2017), http://www.telecompetitor.com/hughesnet-claims-first-fcc-broadband-defined-25-mbps-satellite-broadband-service/.

[6] *2015 Measuring Broadband in America: A Report on Consumer Fixed Broadband Performance in the United States*, FCC at 16, 33 (2015) ("2015 Measuring Broadband Report"), http://data.fcc.gov/download/measuring-broadband-america/2015/2015-Fixed-Measuring-Broadband-America-Report.pdf.

[7] Letter from Jennifer A. Manner, Vice President, Regulatory Affairs, Hughes Network Systems, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 (filed Oct. 26, 2015), *attached to* Letter from L. Charles Keller, Attorney for Hughes Network Systems, Inc. to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 (filed Oct. 26, 2016); Comments of ViaSat, Inc., WC Docket Nos. 10-90, 14-58, 14-259, at 5-6 (filed July 21, 2016) ("ViaSat CAF Comments")

less costly infrastructure requirements, and fewer regulatory barriers to deployment than terrestrial broadband, satellite broadband services play an integral role in digitally integrating the most inaccessible and underserved communities in the country.

In light of the prevalence and success of satellite broadband services with consumers across the United States, the Commission should decline some commenters' invitations to write it out of the Section 706 analysis.[8] Currently approximately two million consumers in the United States subscribe to satellite broadband services and, as discussed above, satellite broadband customers are just as satisfied with their service as customers of other types of broadband service. Both Hughes and its competitor, ViaSat, are providing broadband speeds that meet or exceed the Commission's 25/3 Mbps threshold, and both companies have invested, and are continuing to invest, in new satellites to expand the geographic area where such service is available and the number of customer that they can serve at those speeds.

As Verizon observes, "broadband providers of all types and with all kinds of platforms – traditional telephone companies, cable operators, wireless providers, and satellite providers – are investing heavily to deploy new broadband technologies…. The resulting broadband deployment nationwide is staggering."[9] The strong and expanding availability of satellite broadband services supports a Commission finding that the deployment of advanced telecommunications capability is reasonable and timely.

("ViaSat's satellite broadband service … now has an overall user satisfaction rating that is on par with that of leading cable-based broadband service providers").

[8] *See, e.g.,* INCOMPAS comments at 11; NTCA comments at 12-13.

[9] Verizon comments at 3.

CONCLUSION

The Commission should find that the deployment of advanced telecommunications capability is reasonable and timely based on the strong evidence in the record of investment and broader availability of services meeting the Commission's benchmark, including from satellite broadband providers.

Respectfully submitted,

By: _____/s/_____

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